



**State of Connecticut  
Office of Health Care Access  
Letter of Intent/Waiver Form  
Form 2030**

All Applicants must complete a Letter of Intent (LOI) form prior to submitting a Certificate of Need application, pursuant to Sections 19a-638 and 19a-639 of the Connecticut General Statutes and Section 19a-643-79 of OHCA's Regulations. Please submit this form to the Commissioner of the Office of Health Care Access, 410 Capitol Avenue, MS# 13HCA, P.O. Box 340308, Hartford, Connecticut 06134-0308.

**SECTION I. APPLICANT INFORMATION**

If there are more than two Applicants, please attach a separate sheet of paper and provide additional information in the format below.

	Applicant One	Applicant Two
Full legal name	Diagnostic Imaging of Southbury, LLC	
Doing Business As		
Name of Parent Corporation	Not Applicable	
Mailing Address, if Post Office Box, include a street mailing address for Certified Mail	385 Main St South Union Square Bldg. #2 Southbury, CT 06488	
Applicant type (e.g., profit/non-profit)	For Profit	
Contact person, including title or position	Paul Masotto, Administrative Director, DIS, Robert Gumbardo, M.D., Chairman, Co-Medical Director, DIS	
Contact person's street mailing address	385 Main St South Union Square Bldg. #1 Southbury, CT 06488	
Contact person's phone #, fax # and e-mail address	Tele: 203 267-3340 Ext 1101 Fax: 203 267-3342 <a href="mailto:pmasotto@nvrnet.com">pmasotto@nvrnet.com</a> <a href="mailto:rgumbardo@nvrnet.com">rgumbardo@nvrnet.com</a>	

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## SECTION II. GENERAL APPLICATION INFORMATION

a. Proposal/Project Title: **Imaging Equipment Acquisition: Open MRI Unit**

b. Type of Proposal, please check all that apply:

☒ Change in Facility (F), Service (S) or Function (Fnc) pursuant to Section 19a-638, C.G.S.:

☐ New (F, S, Fnc) ☐ Replacement ☐ Additional (F, S, Fnc)

☒ Expansion (F, S, Fnc) ☐ Relocation ☐ Service Termination

☐ Bed Addition ☐ Bed Reduction ☐ Change in Ownership/Control

☒ Capital Expenditure/Cost, pursuant to Section 19a-639, C.G.S.:

☒ Project expenditure/cost cost greater than \$ 1,000,000

☒ Equipment Acquisition greater than \$ 400,000

☒ New ☐ Replacement ☐ Major Medical

☒ Imaging ☐ Linear Accelerator

☐ Change in ownership or control, pursuant to Section 19a-639 C.G.S., resulting in a capital expenditure over \$1,000,000

c. Location of proposal (Town including street address): **385 Main Street South, Union Square, Southbury, Connecticut 06488**

d. List all the municipalities this project is intended to serve: **Primarily the towns of Southbury, Woodbury, and Newtown. The expanded service area includes Waterbury, Middlebury, Oxford, Watertown, Naugatuck and Bethlehem.**

e. Estimated starting date for the project: **November 1, 2006**

- f. Type of project: 19 (Fill in the appropriate number(s) from page 7 of this form)

**Number of Beds (to be completed if changes are proposed)**

Type	Existing Staffed	Existing Licensed	Proposed Increase (Decrease)	Proposed Total Licensed
N/A				

**SECTION III. ESTIMATED CAPITAL EXPENDITURE INFORMATION**

- a. Estimated Total Capital Expenditure: \$ 1,397,400
- b. Please provide the following breakdown as appropriate:

Construction/Renovations	\$ 350,000
Medical Equipment (Purchase)	
Imaging Equipment (Purchase)	
Non-Medical Equipment (Purchase)	\$ 50,000
Sales Tax	
Delivery & Installation	
<b>Total Capital Expenditure</b>	<b>\$ 400,000</b>
Fair Market Value of Leased Equipment	\$ 997,400
<b>Total Capital Cost</b>	<b>\$1,397,400</b>

**Major Medical and/or Imaging equipment acquisition:**

Equipment Type	Name	Model	Number of Units	Cost per unit
MRI	Hitachi Medical Systems	.3Tesla Airis Elite Open	1	\$ 997,400

Note: Provide a copy of the contract with the vendor for major medical/imaging equipment.

**Response: The vendor contract will be submitted with the CON Application.**

c. Type of financing or funding source (more than one can be checked):

- ☒ Applicant's Equity      ☒ Lease Financing      ☒ Conventional Loan  
☐ Charitable Contributions      ☐ CHEFA Financing      ☐ Grant Funding  
☐ Funded Depreciation      ☐ Other (specify): \_\_\_\_\_

**Response:**

**The non-medical equipment, which consists of hardware and software associated with the network and PACS, will be financed using equity. The MRI Unit will be purchased using lease financing and the renovation/construction expense will be financed using a conventional bank loan.**

**SECTION IV. PROJECT DESCRIPTION**

Please attach a separate 8.5" X 11" sheet(s) of paper and provide no more than a 2 page description of the proposed project, highlighting all the important aspects of the proposed project. Please be sure to address the following (if applicable):

1. Currently what types of services are being provided? If applicable, provide a copy of each Department of Public Health license held by the Petitioner.
2. What types of services are being proposed and what DPH licensure categories will be sought, if applicable?
3. Who is the current population served and who is the target population to be served?
4. Identify any unmet need and how this project will fulfill that need.
5. Are there any similar existing service providers in the proposed geographic area?
6. What is the effect of this project on the health care delivery system in the State of Connecticut?
7. Who will be responsible for providing the service?
8. Who are the payers of this service?

**If requesting a Waiver of a Certificate of Need, please complete Section V.**

**SECTION V. WAIVER OF CON FOR REPLACEMENT EQUIPMENT**

I may be eligible for a waiver from the Certificate of Need process because of the following:  
(Please check all that apply)

- ☐ This request is for Replacement Equipment.
  - ☐ The original equipment was authorized by the Commission/OHCA in Docket Number: \_\_\_\_\_.
  - ☐ The cost of the equipment is not to exceed \$2,000,000.
  - ☐ The cost of the replacement equipment does not exceed the original cost increased by 10% per year.

Please complete the attached affidavit for Section V only.

**AFFIDAVIT**

Applicant: **Diagnostic Imaging of Southbury, LLC**

Project Title: **Imaging Equipment Acquisition: Open MRI Unit**

I, Robert Gumbardo, M.D.,  
(Name)

Chairman  
(Position – CEO or CFO)

of Diagnostic Imaging of Southbury, LLC being duly sworn, depose and state that the information provided in this CON Letter of Intent/Waiver Form (2030) is true and accurate to the best of my knowledge, and that Diagnostic Imaging of Southbury, LLC complies with the  
(Facility Name)

appropriate and applicable criteria as set forth in the Sections 19a-630, 19a-637, 19a-638, 19a-639, 19a-486 and/or 4-181 of the Connecticut General Statutes.

  
\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Subscribed and sworn to before me on 7-7-06

  
\_\_\_\_\_  
Notary Public/Commissioner of Superior Court

My commission expires: \_\_\_\_\_

**DEBORAH E. SHUPENIS**  
**NOTARY PUBLIC**  
**My Commission Expires June 30, 2010**

## Project Type Listing

Please indicate the number or numbers of types of projects that apply to your request on the line provided on the Letter of Intent Form (Section II, page 2).

### Inpatient

1. Cardiac Services
2. Hospice
3. Maternity
4. Med/ Surg.
5. Pediatrics
6. Rehabilitation Services
7. Transplantation Programs
8. Trauma Centers
9. Behavioral Health (Psychiatric and Substance Abuse Services)
10. Other Inpatient

### Outpatient

11. Ambulatory Surgery Center
12. Birthing Centers
13. Oncology Services
14. Outpatient Rehabilitation Services
15. Paramedics Services
16. Primary Care Clinics
17. Urgent Care Units
18. Behavioral Health (Psychiatric and Substance Abuse Services)
19. MRI
20. CT Scanner
21. PET Scanner
22. Other Imaging Services
23. Lithotripsy
24. Mobile Services
25. Other Outpatient
26. Central Services Facility

### Non-Clinical

27. Facility Development
28. Non-Medical Equipment
29. Land and Building Acquisitions
30. Organizational Structure (Mergers, Acquisitions, Affiliations, and Changes in Ownership)
31. Renovations
32. Other Non-Clinical

**Southbury Diagnostic Imaging Center LLC  
Imaging Equipment Acquisition: Open MRI Unit**

**Project Description**

Diagnostic Imaging of Southbury, LLC ("DIS") is a limited liability company, whose Members include St. Mary's Hospital, Naugatuck Valley Radiology Associates, PC, and Northeast Radiology, PC. The imaging center offers comprehensive services including the modalities of general radiology, fluoroscopic radiology, CT, ultrasound, mammography, bone densitometry, nuclear medicine, and high field MRI. DIS is submitting this Letter of Intent to acquire and operate a .3 Tesla Open MRI Unit.

DIS currently operates a 1.5 Tesla high field MRI Unit and is experiencing scheduling delays for MRI services. The acquisition of this additional unit would facilitate the offloading of extremity scans from the high field unit to the lower field open unit. This would make available the scheduling and procedure time needed to perform the more time consuming and sophisticated angiography and breast imaging scans on the high field unit. At present, DIS cannot easily accommodate physician requests for these procedures.

The proposed unit would also increase the scheduling and procedure time available so that DIS can respond to the increase in contrast required scans, which are more time consuming.

The proposed .3T Open MRI Unit would complement the existing high field MRI Unit and would also improve the quality of care for DIS' claustrophobic and obese patients.

The Open MRI Unit will be located in newly constructed/renovated space that is adjacent to DIS' existing space, making it easily accessible for patients.

DIS is the entity that will bill for the MRI services, receive payments for those services, and be responsible for the clinical care (imaging services) rendered to patients. Anticipated payer sources include Medicare, Medicaid, self pay, commercial, and managed care payers. The target population for this proposal is DIS' existing patient base: residents primarily from the towns of Southbury, Woodbury, and Newtown.

This project will positively impact on the health care delivery system in the State of Connecticut by improving quality of care as measured by accessibility to the current standard of care for Open MRI services to DIS' patients, especially those who are elderly, claustrophobic, or obese.

Imaging providers operating in the proposed service area include Danbury Hospital, Waterbury Hospital, St. Mary's Hospital, Danbury Diagnostic, Housatonic Valley Radiology, Northeast Radiology, Southbury Imaging, Diagnostic Radiology Associates, Naugatuck Valley MRI, Newtown Diagnostic Imaging, and Greater Waterbury Imaging Center.